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November 1, 2001

Hon. Philip N. Asprodites Commissioner of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804

Re:

20,350' TUSC RA SU I and J and 20,350' TUSC RB SU A, Judge Digby Field, Pointe

Coupee Parish, Louisiana

Dear Commissioner Asprodites:

Application is hereby made on behalf of SKH Management, L.P. to the Commissioner of Conservation for the calling of a public hearing, after legal notice, pertaining to the following matters relative to the 20,350' TUSC RA SU I and J and 20,350' TUSC RB SU A, Judge Digby Field, Pointe Coupee Parish, Louisiana:

- 1. To dissolve the 20,350' TUSC RA SU I and J units, created by Office of Conservation Order No. 1046-A-15, effective January 12, 2000, and simultaneously therewith to establish rules and regulations governing the exploration for and production of gas and condensate from the 20,350' Tuscaloosa Sand, Reservoir B, Judge Digby Field, Pointe Coupee Parish, Louisiana;
- 2. To create a single drilling and production unit for the 20,350' Tuscaloosa Sand Reservoir B, designated as the 20,350' TUSC RB SUA as shown on the plat attached hereto;
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created on a surface acreage basis of participation;

- 4. To designate a unit well and unit operator for the unit so created;
- 5. To allow the Commissioner of Conservation to reclassify the reservoir by supplemental order, without the necessity of a public hearing, should the producing characteristics of the reservoir change and evidence to justify reclassification is submitted to and accepted by the Commissioner of Conservation;
- 6. To consider such other matters as may be pertinent to the 20,350' TUSC RB SUA.

The 20,350' Sand, Reservoir B, in the Judge Digby Field, is hereby defined as that certain gas and condensate bearing sand encountered between the depths of 20,326' and 20,452', (electrical log measurements), in the BP Amoco Production Company - Roy O. Martin Lumber Co. No. 1 Well located in Section 8 Township 5 South, Range 9 East, Pointe Coupee Parish, Louisiana.

The Pre-application conference was held as scheduled. In attendance were the parties who are shown on the attached list. Mr. William S. Strain, attorney, representing the applicant, opened the conference, and then turned it over to the applicant's geological consultant, Mr. Louis Gilbert.

Mr. Gilbert explained that the bases of the applicant's proposal had changed, and that the applicant would propose a 679 acre geological unit. Mr. Gilbert then discussed the geological and other bases for the applicant's revised proposal, and answered questions posed by those present.

Mr. Frank Harrison, consulting geologist for Bomer Blanks Lumber Company, stated that he would oppose the applicant's proposal on grounds that there was insufficient data to justify dissolution of existing units, and the creation of a new geological unit, and that the sand in which the proposed unit well is completed is the Lower Tuscaloosa Sand.

Mr. Ralph Chustz, attorney, representing the Carl Lichtenberg Partnership indicated that he would oppose the applicant's proposal, but did not present a counterplan, and therefore, his client's rights were deemed reserved.

Mr. Walter Lanaux, representing the Lewis Heirs indicated that he would file a counterplan, but did not yet have it formulated. His clients' rights were deemed reserved.

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Mr. Richard Revels, attorney, representing Amoco Production Company stated that Amoco would oppose the applicant's proposal, and consequently, Amoco's rights were deemed reserved.

Following further questions and answers, the conference was adjourned.

Since the date of the Pre-application Conference, the applicant has further revised its plan to a \pm 540 acre geological unit, shown on the plat attached hereto. The applicant intends to utilize a petrophycist as an additional witness, Zaki Bassiouni, P.E. who will give evidence relative to the productivity of the Roy O. Martin No. 1 Well and other wells in the vicinity, and to rebut any petrophysical evidence offered by any other party or parties. Petrophysical exhibits will be shown. Because of the change in the unit proposed from that shown at the Pre-application conference, and the addition of petrophysical evidence as an additional basis for the applicant's proposal, the applicant will, <u>UPON REQUEST</u> schedule another conference to discuss its proposal.

All pertinent data relating to this proposed application may be obtained AT THE COST OF THE REQUESTING PARTY from Louis Gilbert & Associates, 3636 N. Causeway Blvd., Ste. 204 Metairie, LA 70002-7215, (504) 834-8112 (504) 834-1736 fax.

Enclosed to the Commissioner of Conservation and District Manager **ONLY** is a list of Interested Owners, Interested Parties and Represented Parties to whom a copy of this notice is being sent. Copies of the list will be provided upon request. Enclosed to the Commissioner of Conservation, the District Manager, Interested Parties, Interested Owners and Represented Parties is a plat of applicant's second revised proposed unit plat, outlining the 20,350' TUSC RB SUA, Judge Digby Field, Pointe Coupee Parish, Louisiana. A reasonable effort has been made to ascertain the names and addresses of all Interested Owners, Interested Parties or Represented Parties. Also enclosed is our check payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

STRAIN, DENNIS, MAYHALL

& BATES, L.L.P.

William S Strain

WSS:mbw

cc: Mr. Richard Hudson

District Manager

Interested Parties Interested Owners Represented Parties

